

The Examination of the Legal Factors of the Competitiveness of the Central and Eastern European Countries



Gyöngyi Csuka

*Networked Research Group on Regional Innovation and Development
Studies
Hungary*

Legal Systemic Factors of National Economic Competitiveness

- Lisbon Agenda

- The legal system should be more:
 - efficient, cheaper, transparent, simpler and
 - easy to be understood and to be practised
 - calculable.

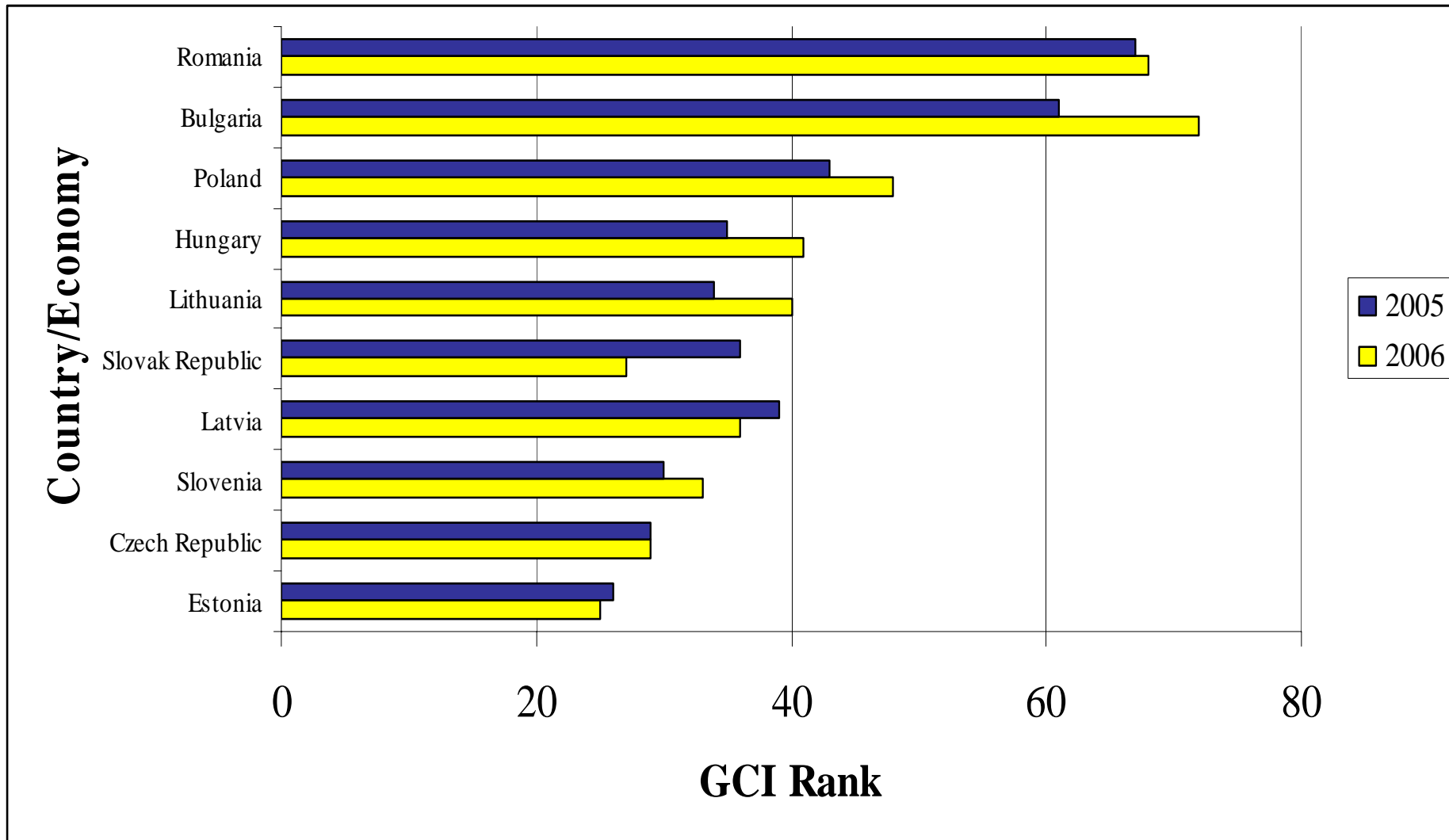
- Competitiveness

- Legal environment of firm

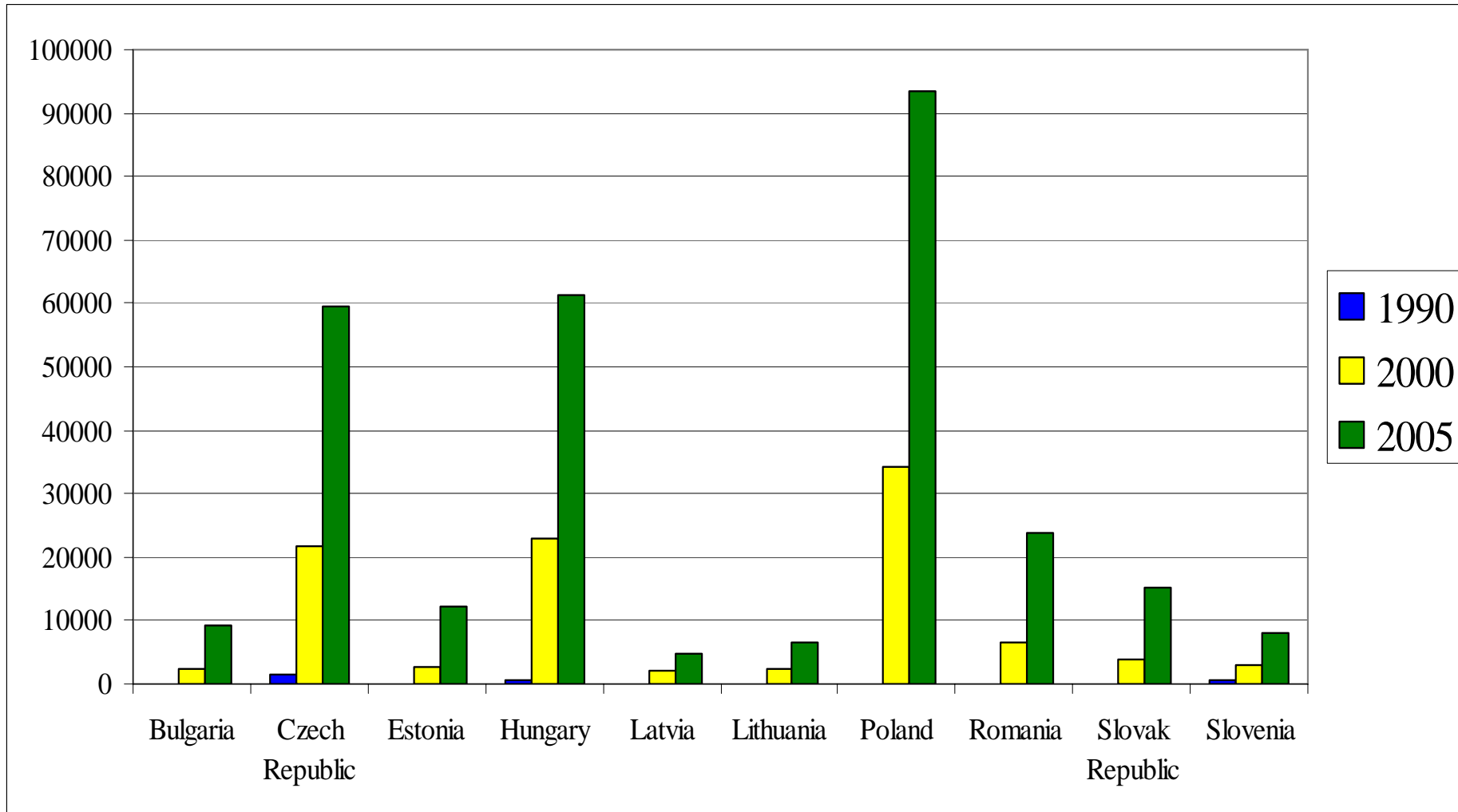
The Competitiveness of Central-Eastern European Countries

- Czech Republic, Hungary, Poland, Romania, Slovak Republic, Slovenia
- Swiss Foundation International Institute for Management Development: World Competitiveness Yearbook
- World Economic Forum: The Global Competitiveness Report

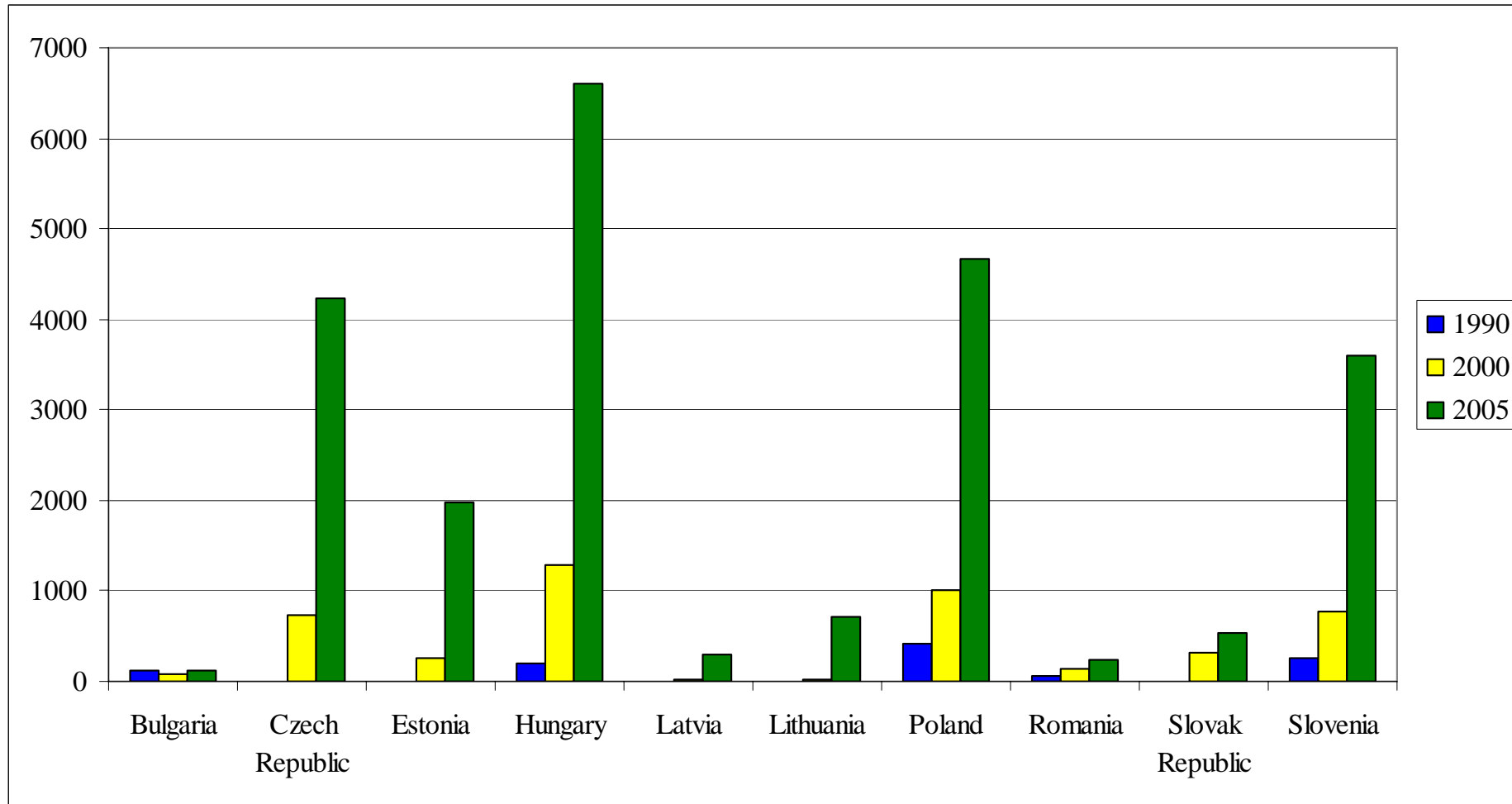
Global Competitiveness Index Rankings (2005, 2006)



FDI Inward Stock, 1990, 2000, 2005 (Millions of dollars)



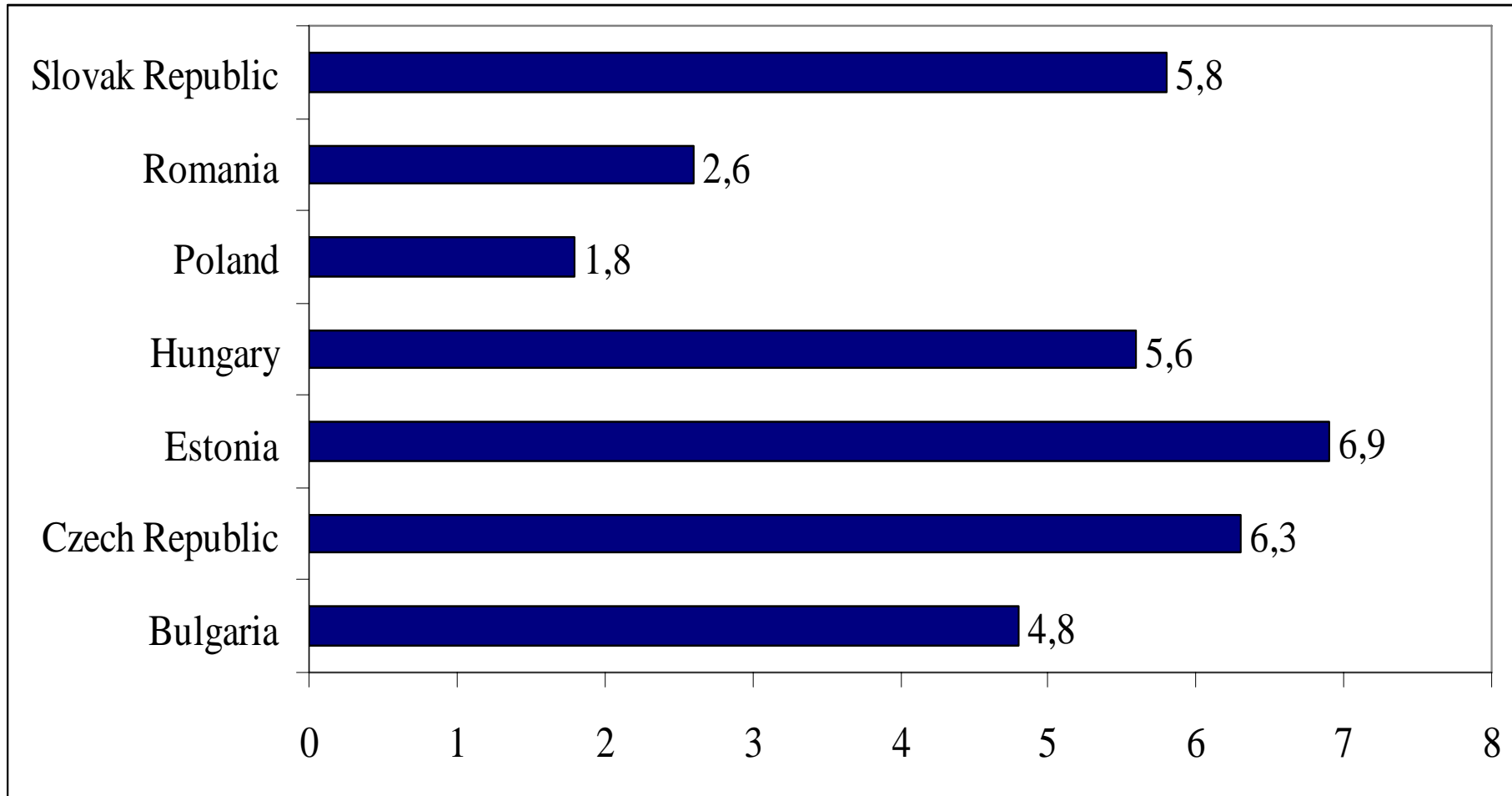
FDI Outward Stock, 1990, 2000, 2005 (Millions of dollars)



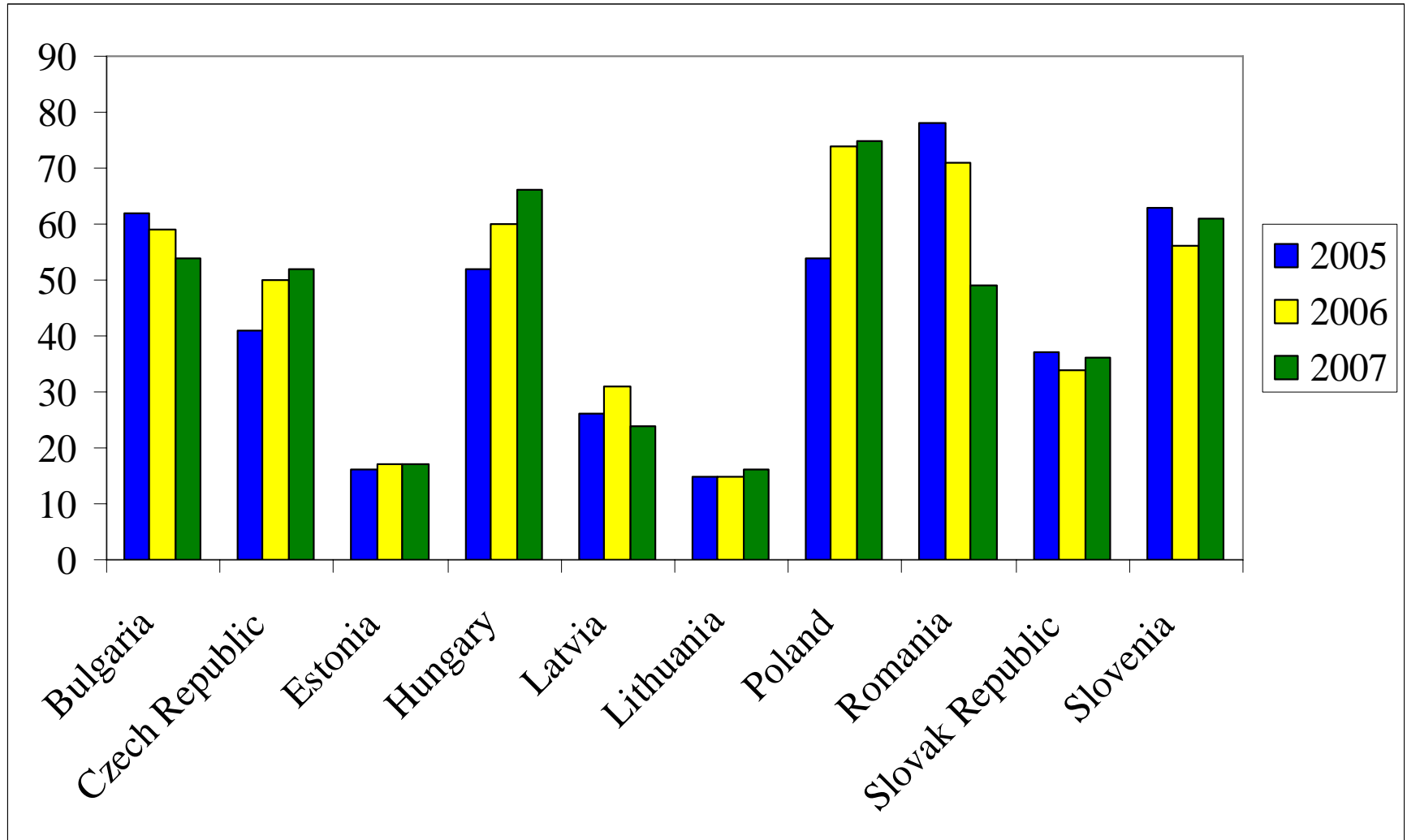
Legal Surroundings

- there is no perfect method to measure competitiveness
- Competition regulation
- Ease of Doing Business
 - Set up ventures
 - Manpower enrolment and dismissal
 - Property
 - Contracts
 - Closing an enterprise

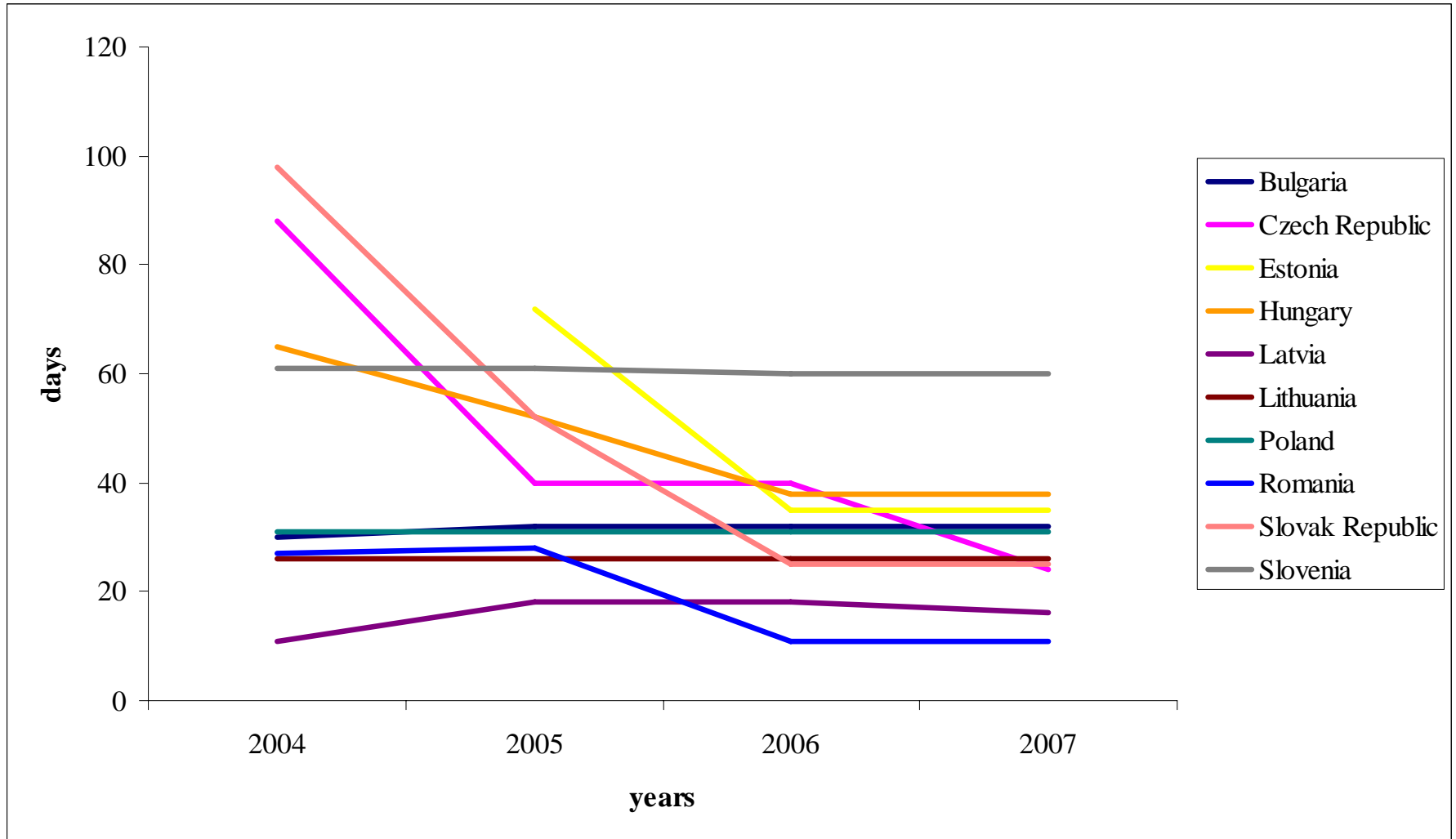
Competition Regulation (2006)



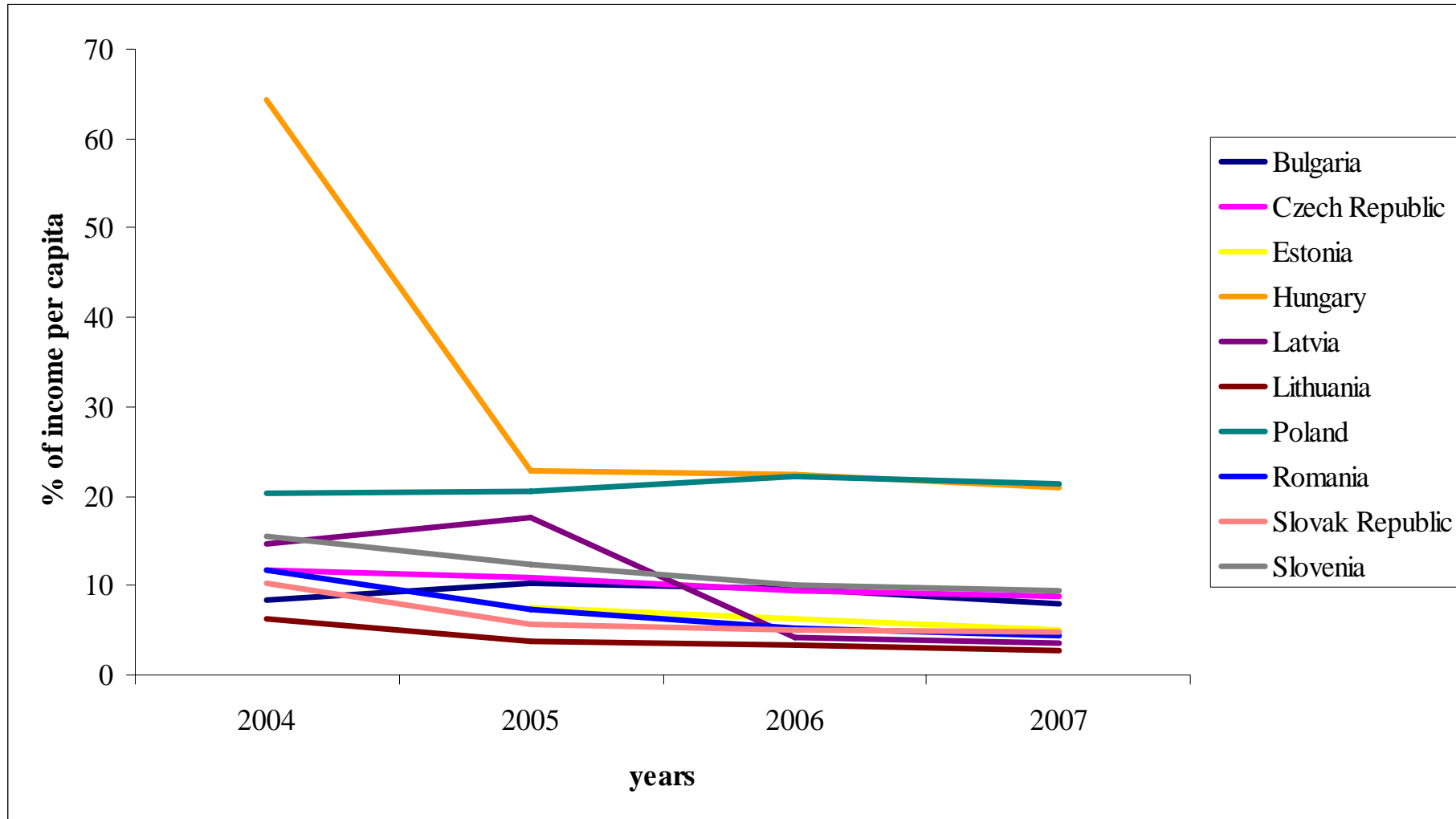
Rankings on the Ease of Doing Business



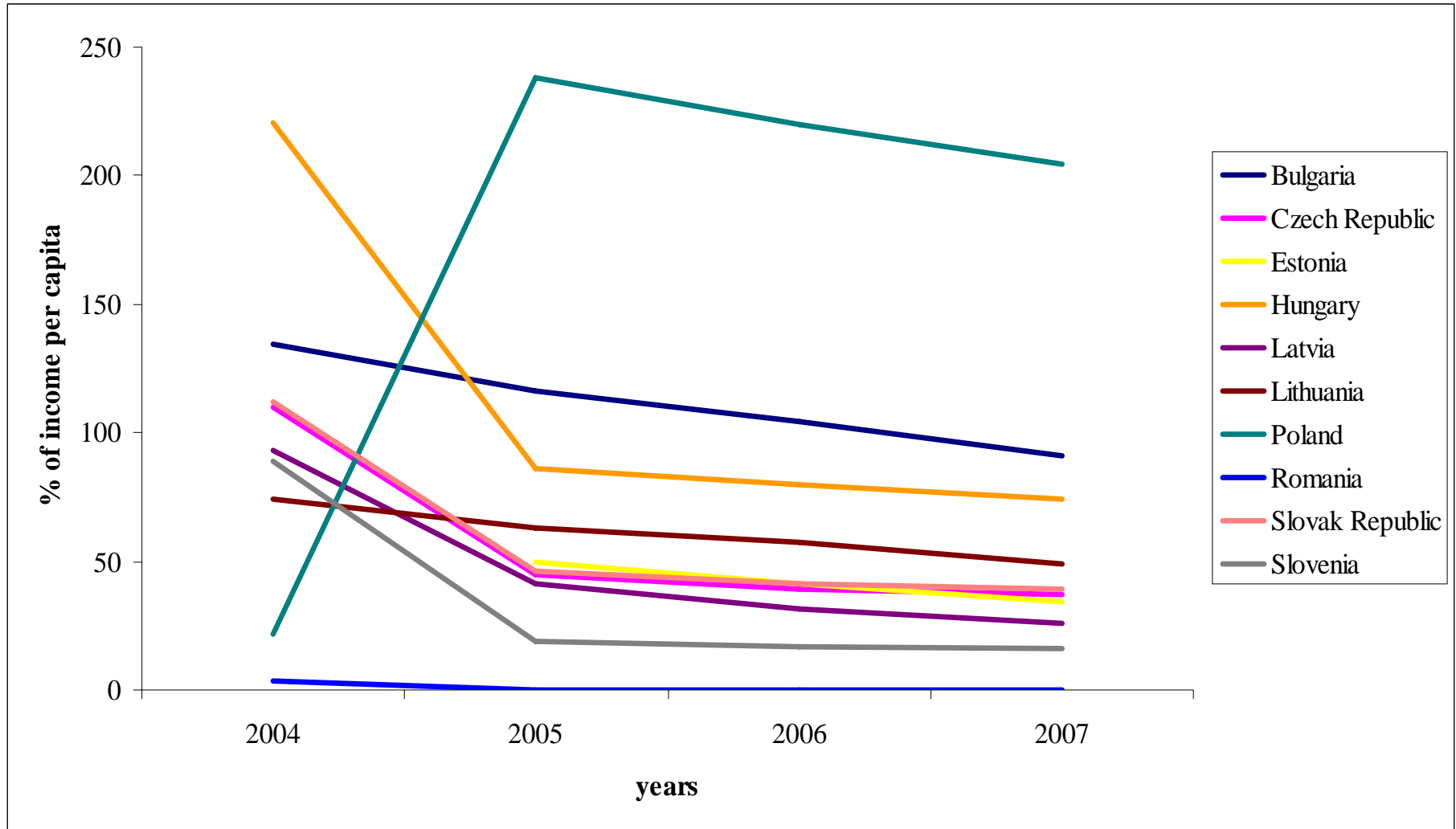
Set up a Business (days)



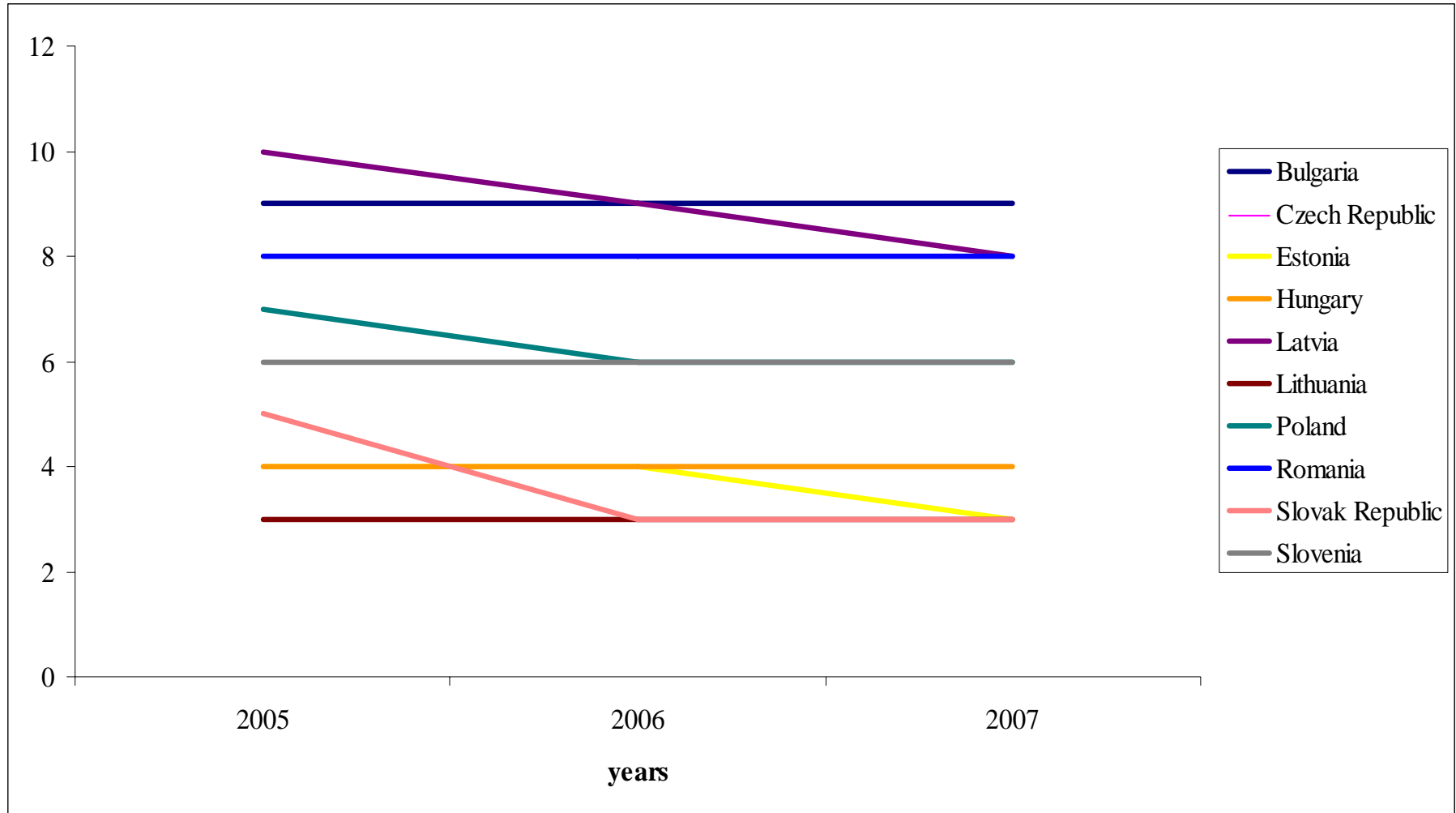
Cost of Starting a Business (% of income per capita)



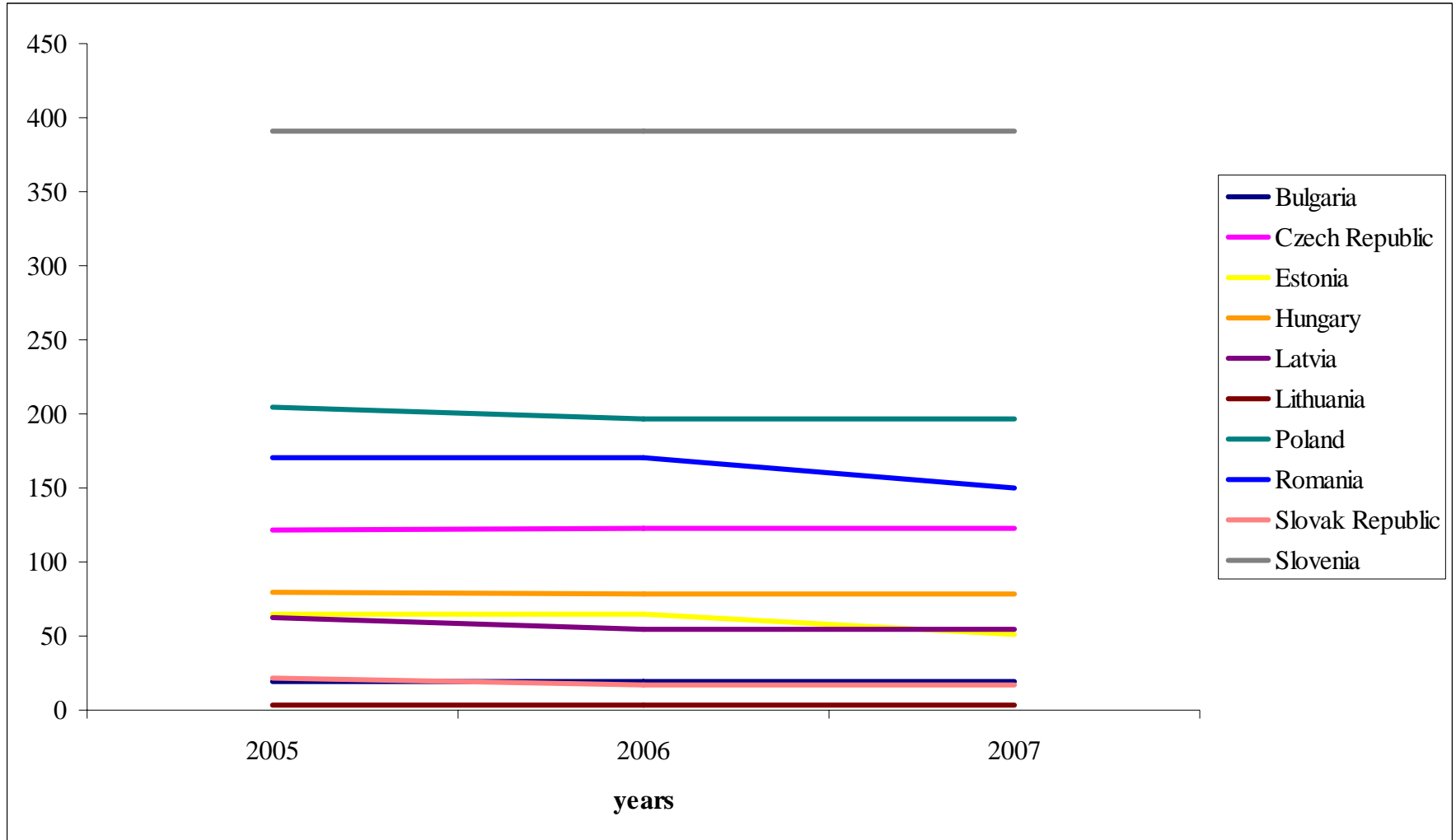
Minimum Capital (% of income per capita)



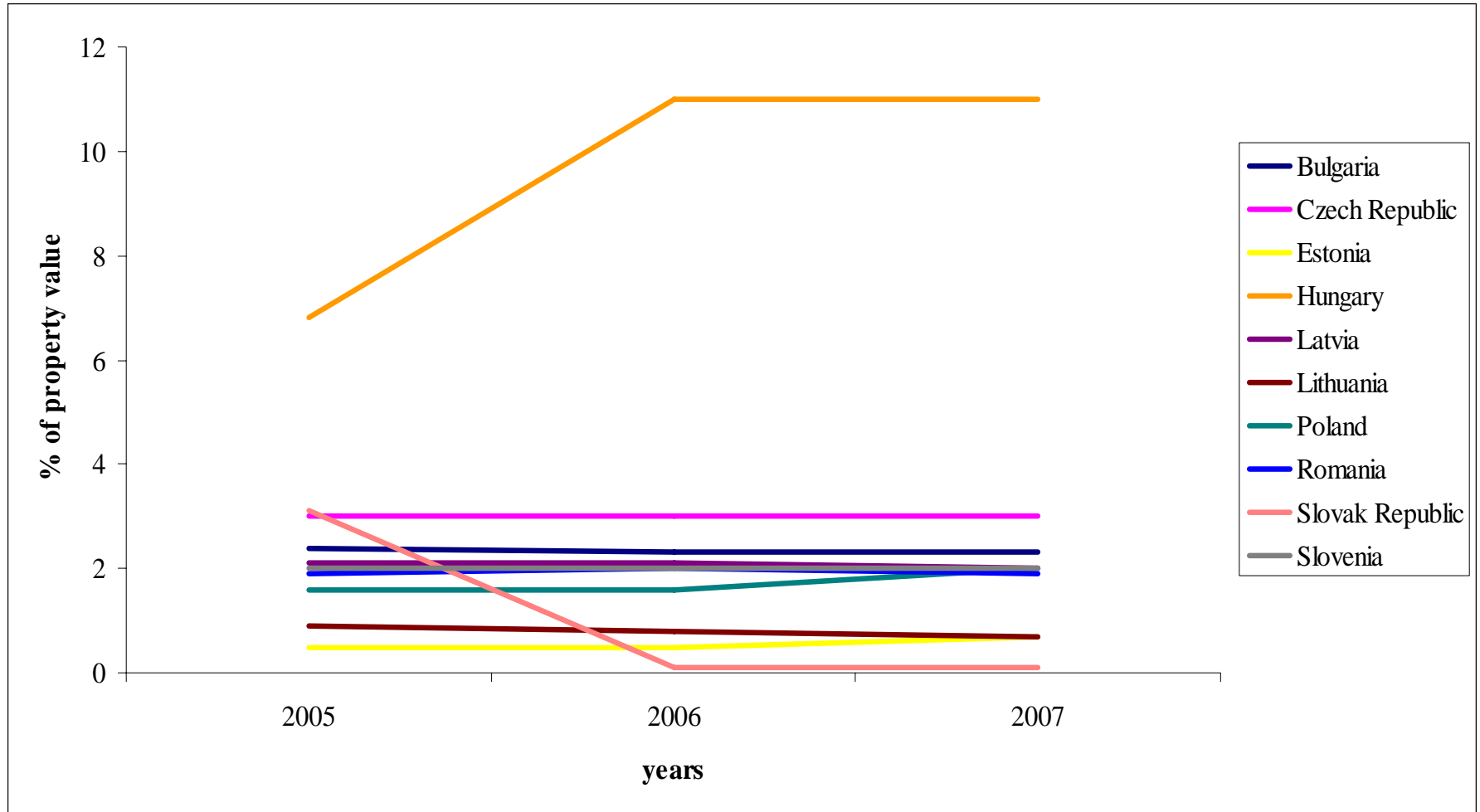
Registering Property (Number of Procedures)



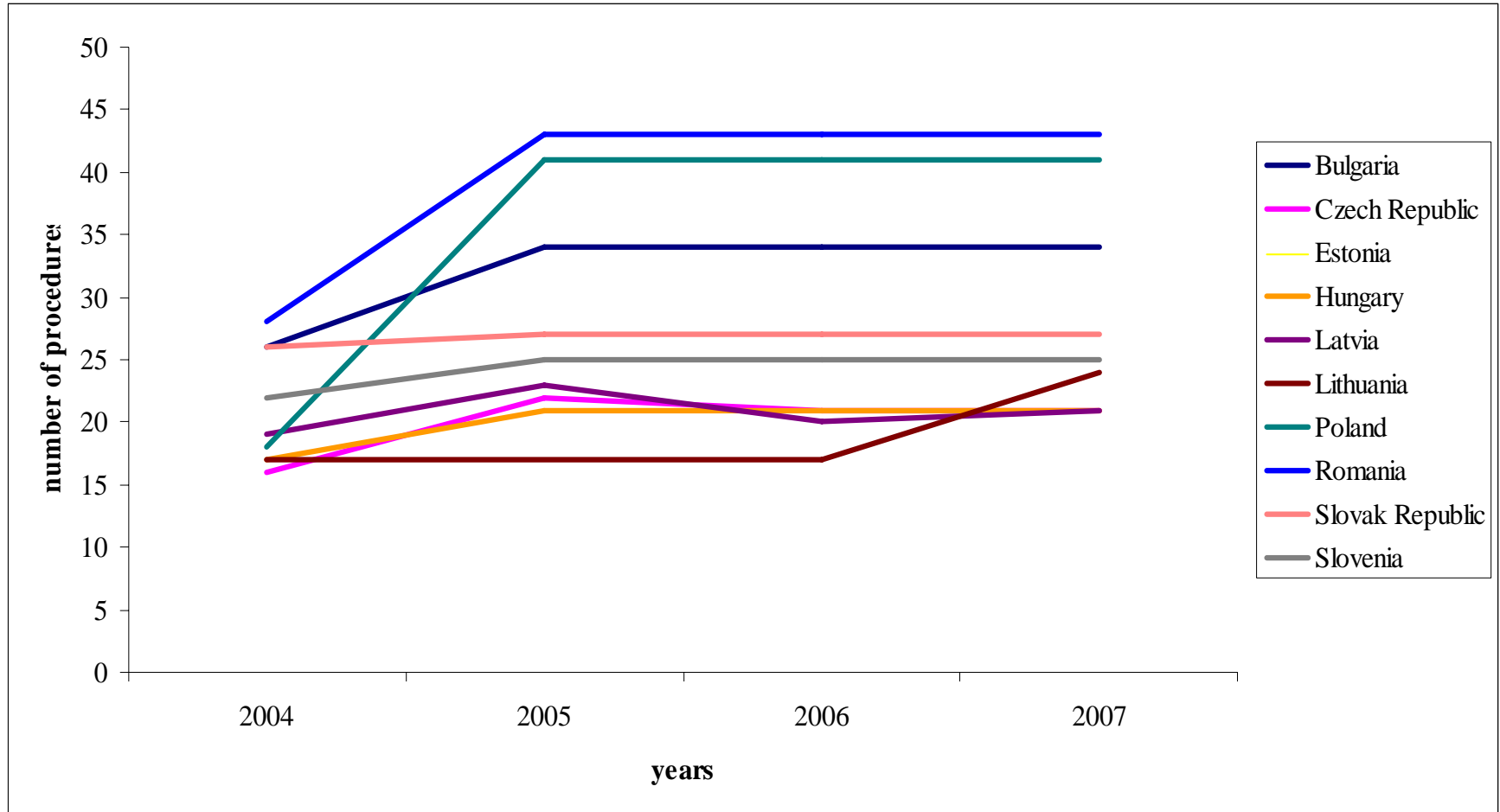
The Average Length of Property Registration (days)



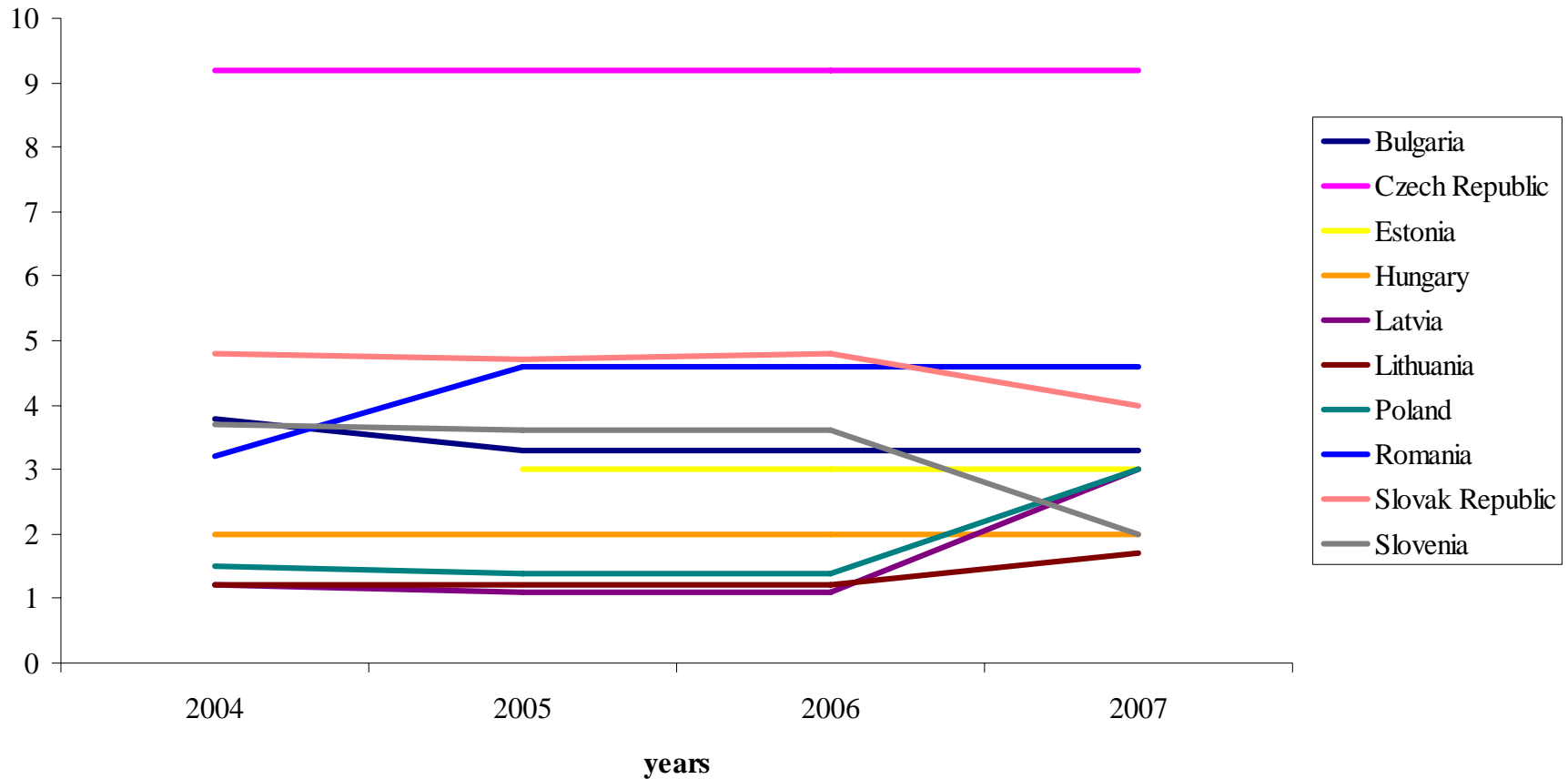
Cost of Registering Property (% of property value)



Enforcing Contracts (Number of procedures)



Time of Insolvency (years)



Further Directions of the Research

- How big discrepancies can be found between the regulations of individual countries, do these discrepancies have an effect on competitiveness?
- With what kind of legal instruments could a country land its own companies in advantages? Or is there already no way to do this?